Public Service Commission to punish a subordinate police officer "with any of the punishments referred to in section 27" of the Act and one of the punishments expressly set out in section 27 is "deferment or stoppage of increment".

In the result the plaintiffs' action is dismissed with costs.

Action dismissed.

Solicitors: *J.B. Jeyaretnam & Co.*

HAW PAR BROTHERS INTERNATIONAL LTD. v. HARRY LEE WEE

[O.C.J. (Wee Chong Jin C.J.) March 7, 1980]

[Singapore — Originating Summons No. 13 of 1979]

Practice and Procedure — Costs — Lump sum bill for "professional services rendered..." — Not itemised — "Redolent of overcharge" — Test — Inherent jurisdiction of court — Order for taxation.

In this case from November 1975 to August 1976 the defendant's firm of Braddell Brothers was retained as and acted as solicitors for the plaintiff company and all its subsidiaries. During that period the company paid $119,500 to account of costs, excluding disbursements. The first two bills of costs delivered by Braddell Brothers were on August 30, 1976 and September 3, 1976 and on March 30, 1977 24 further bills of costs were delivered, one of which was for $500,000 for costs and $1,011 for disbursements. This bill of costs was not itemised but sets out in narration form the "professional services rendered..." and ended with a lump sum of $500,000. It runs to 245 pages. All the other bills of costs were also not itemised but were lump sum bills. The company considered it was grossly overcharged and after failing to arrive at a mutually agreed settlement the defendant commenced proceedings against the company claiming, *inter alia*, payment of $477,636.28 being balance of costs for work done and services rendered. The company then took out the present originating summons.

Held: (1) the court, in the exercise of its general or original or inherent jurisdiction over its officers, may order taxation where its statutory jurisdiction is inapplicable;

(2) having regard to the facts and all the circumstances, the lump sum of $500,000 for the defendant's service was "redolent of overcharge"; the bills should therefore be taxed.

[Editorial Note: We understand that the court accepted the defendant's contentions that the plaintiff was not entitled to make an application under the Legal Profession Act because more than a year had lapsed since the dates of delivery of the respective bills and that the defendant was entitled to deliver lump sum bills. The court therefor exercised its inherent jurisdiction in making the above order.]

Case referred to:-

(1) *Re Boycott* (1885) 29 Ch. D. 571.

[Authorities also cited in argument: *Halsbury's* Laws of England, 3rd Edition, Vol. 36 at pp. 138 & 139; *Barnato* v. *Foster* [1920] 3 K.B. 306, 314; The Supreme Court Practice 1979, Vol. II, pp. 852 & 853; Legal Profession Act (Cap. 217), s. 124, *Wilkinson's* case 33 L.T. 573; *In re A Solicitor; In re Taxation of Costs* [1955] 2 Q.B. 252, 271; *In re A Solicitor* [1961] Ch. 491; *Electrical Trades Union* v. *Tarlo* [1964] Ch. 720, 734; *Allen* v. *Jarvis* (1869) 4 Ch. App. 616, 621.]

ORIGINATING SUMMONS.

L.P. Thean for the plaintiff.

Cheng Tim Pin (*Miss Yu* with him) for the defendant.

Wee Chong Jin C.J.: From early November 1975 to August 27, 1976 the defendant's firm of Braddell Brothers was retained as and acted as solicitors for the plaintiff company and all its subsidiaries. During that short period of approximately ten months the company paid $119,500 to Braddell Brothers to account of costs, excluding disbursements.

The first two bills of costs delivered by Braddell Brothers were on August 30, 1976 and September 3, 1976 and on March 30, 1977 24 further bills of costs were delivered, one of which was for $500,000 for costs and $1,011 for disbursements. This bill of costs is headed "*Re* Haw Par/Slater Walker Dispute" and is not itemised but sets out in narration form the "professional services rendered in the above matter" and ends with the lump sum of $500,000. It runs to 245 pages. All the other bills of costs are also not itemised bills but are lump sum bills.

The company considered it was grossly overcharged and after several attempts which were made to arrive at a mutually agreed settlement failed the company on September 23, 1978 wrote to Braddell Brothers stating that unless they were "prepared to accept the sum paid of $119,500 as adequate compensation for the work done ... in full and final settlement of all amounts due for the work done they will have no option but to submit all the bills to the Registrar for taxation".

The defendant commenced proceedings in the High Court against the company on December 12, 1978 claiming, *inter alia*, payment of $477,636.28 being the balance of costs for work done and services rendered. The company took out the present originating summons on January 10, 1979 asking for the following relief: —

"1. An Order that the defendant do within 30 days after service of this Order deliver to the plaintiff bills of costs in all matters of business specified or referred to in the second column of the Schedule hereto attached and that such bills as and when delivered be referred to the Registrar to be taxed and settled and that the defendant do give credit for all sums of money received by him from or on account of the plaintiff and refund what (if anything) he may on such taxation appear to have been overpaid.

2. In the alternative, an Order that the bills of costs delivered to the plaintiff by the defendant, particulars whereof are set out in the said Schedule hereto attached, be referred to the Registrar to be taxed and that the defendant do give credit for all sums of money received by him from or on account of the plaintiff and refund what (if anything) he may on such taxation appeal to have been overpaid.

3. An Order that the Registrar do tax the costs of the reference and certify what shall be found due to or from either party in respect of the said bills and of the costs of the reference, to be charged (if payable) according to the event of the taxation, pursuant to the Legal Profession Act (Cap. 217).

4. An Order that pending delivery of the bills of costs and taxation of costs under paragraph 1 above, or taxation of the said bills of costs under paragraph 2 above, the defendant do not prosecute the action in Suit No. 3731 of 1978 or commence any other action for recovery of any costs."

I made an order in terms of prayers 2 and 3 and stayed the defendant's action pending taxation. It was not in dispute that the court, in the exercise of its general or original or inherent jurisdiction over its officers, may order taxation where its statutory jurisdiction is inapplicable. The facts before me which

were not in dispute are as follows. From January 1976 to September 1976 the company paid to Braddell Brothers a retaining fee of $1,500 a month and the company provided two rooms in the company's offices and a secretary for the use of the defendant and a Legal Assistant of Braddell Brothers. The defendant during a period of nine months devoted practically the whole of his time in advising the company over the problems confronting the company arising out of its dispute with associated companies. In connection with such disputes and litigation therefrom the defendant made four visits to London.

Having regard to these facts and all the circumstances, although it is not inconceivable that the defendant might be able to justify his bill of $500,000 for professional services rendered in respect of the "Haw Par/Slater Walker Dispute" if it were taxed, I considered that the lump sum of $500,000 for the defendant's services as set out in that bill is, to use the words of Brown L.J. in *Re Boycott*,[1] "redolent of overcharge". Even if it is to be assumed that the defendant worked everyday including Saturdays and Sundays throughout the nine months period, i.e. 270 days, that bill works out to a charge of $1,850 per day or $185 per hour, assuming an abnormal ten hour working day. In my judgment, purely on this test that bill ought to be taxed and I should not be surprised to see that on taxation it is substantially reduced. In the light of my view on that one bill I was satisfied that all the other bills should also be taxed.

Order accordingly.

Solicitors: *Shook Lin & Bok; Braddell Bros.*

MALAYSIAN REPORTS

NGUI MUI KHIN & ANOR. v. GILLESPIE BROS. & CO. LTD.

[F.C. (Raja Azlan Shah C.J. (Malaya), Wan Suleiman & Salleh Abas F.JJ.) October 13, 1979]

[Johore Bahru — Federal Court Civil Appeal No. 161 of 1978]

Practice and Procedure — Transactions entered into by confirming house — Guarantee — Whether transaction entered into with confirming house a moneylending transaction — Moneylenders Ordinance, 1951, s. 2.

Commercial Law — Confirming house — Functions and obligations — Transaction not money-lending — Moneylenders Ordinance, 1951, s. 2.

Private International Law — Contract made outside jurisdiction — Whether enforceable in Malaysia — Contracts Act, 1950, s. 24.

In this case certain transactions took place between the respondents, a London confirming house and a Singapore company relating to the financing of purchases of goods by the Singapore company. The appellants gave a guarantee to the respondents with respect to those transactions. The respondents obtained judgment in the Singapore High Court against the Singapore Company and as the judgment remained unsatisfied, they sued the appellants on the guarantee. The appellants in their defence contended that they were not liable on the guarantee because the transactions between the respondents and the Singapore company were in essence moneylending transactions.

The respondents applied for final judgment under Order 14 and their application was granted by the Assistant Registrar. An appeal to the High Court was dismissed and the appellants appealed to the Federal Court.

Held: (1) confirming houses are a recognised institution in the promotion and participation of export trade and their business being distinct, the transactions entered into by them with the parties in the export trade could not be held to be moneylending transactions;

(2) the learned judge was correct in holding that the appellants' statement of defence did not disclose any serious defence requiring trial. There being no triable issue, the order under Order 14 was correctly made.

Cases referred to:-

(1) *Hamzeh Malas & Sons* v. *British Imex Industries Ltd.* [1958] 2 Q.B. 127.

(2) *Urquhart Lindsay & Co.* v. *Eastern Bank* [1922] 1 K.B. 318.

(3) *Anglo-African Shipping Company* v. *J. Mortner Limited* [1962] 1 Lloyds R. 610, 620.

(4) *Sobell Industries Ltd.* v. *Cory Brothers & Co. Ltd.* [1955] 2 Lloyds R. 82, 90.

(5) *Rusholme & Bolton & Roberts Hadfield Ltd.* v. *S.G. Read Co. (London) Ltd.* [1955] 1 All E.R. 180.

(6) *Chow Yoong Hong* v. *Choong Fah Rubber Manufactory* [1962] A.C. 209, 218; [1962] M.L.J. 74.

(7) *Litchfield* v. *Dreyfus* [1906] 1 K.B. 584.

(8) *Transport and General Credit Corporation* v. *Morgan* [1939] 1 Ch. 531.

FEDERAL COURT.

T.S. Chong for the appellants.

N. Jagatheesan for the respondents.

Cur. Adv. Vult.

Salleh Abas F.J. (delivering the judgment of the Court): In this appeal certain transactions took place in Singapore between the respondents, a London confirming house, and a Singapore company known as Southern Equipment Suppliers (S) Private Limited, re-